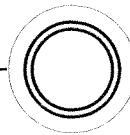




MICHIGAN DEPARTMENT OF HUMAN SERVICES



DHS Legislative Services

House Energy Committee Presentation – June 4, 2013
Replacing the LIEEF Fund

The Need for Crisis Assistance and Recent Legislation

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- DHS has seen the need for crisis energy assistance through the years
- Public Act 615 of 2012
 - Creates the Michigan Energy Assistance Program
 - Goes into effect October 1, 2013
 - This legislation puts the focus on prevention efforts
 - Shifts \$25 million of LIHEAP dollars, that was traditionally spent on crisis toward this new prevention program
- HB 4789, as introduced
 - Creates a fund whereby additional dollars will be appropriated and MPSC will administer grants to energy providers to also preventatively assist low income citizens with energy costs
 - This fund is intended to “replace” LIEEF dollars

Number of Households Served

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- **FY 2012: 208,241 households served**
 - 67,205 households included at least one member age 5 years or younger
 - 80,003 households included a member who was disabled
 - 28,370 households included a member age 60 or above
- **FY 2011: 243,824 households served**
 - 76,274 households included at least one member age 5 years or younger
 - 93,405 households included at least one member who was disabled
 - 31,635 households included at least one member age 60 or older
- **FY 2010: 211,662 households served**
 - 68,164 households included at least one member age 5 years or younger
 - 73,355 households included at least one member who was disabled
 - 22,903 households included at least one member age 60 or older

Households Served by Income Level

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- FY 2012: 208,241 households served
 - 150,421 households (72%) under 75% poverty level
 - 47,291 households (22%) between 75% - 150% poverty level
 - 10,629 households (5%) over 150% poverty level
- FY 2011: 243,824 households served
 - 159,278 households (65%) under 75% poverty level
 - 68,932 households (28%) between 75% - 150% poverty level
 - 15,614 households (6%) over 150% poverty level
- FY 2010: 211,662 households served
 - 117,120 households (55%) under 75% poverty level
 - 59,234 households (28%) between 75% - 150% poverty level
 - 35,308 households (17%) over 150% poverty level

Total Amount Spent on Crisis Assistance per FY

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- FY 2012: \$131,113,252
- FY 2011: \$179,584,448
- FY 2010: \$188,347,043

Current Process for SER

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- Basic Eligibility and Steps for Applying*
 - Low-income households who meet all State Emergency Relief (SER) eligibility requirements may receive assistance to help them with household heat and electric costs.
 - If heat or electric service is in threat of shut-off or has already been shut-off and needs to be restored, payment may be authorized.
 - The amount of the payment is the minimum necessary to prevent shutoff or restore service, up to the fiscal year cap.
 - Payment must resolve the emergency by restoring or continuing the service for at least 30 calendar days.
 - Payment is also permitted up to the fiscal year cap to deliver a 30-day supply of fuel for households that heat with deliverable fuel (fuel oil, propane or coal).

*DHS Policy ERM 301

Current Yearly Caps (Payment Limits, Effective Feb. 1, 2013)

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ENERGY TYPE	FY CAP THROUGH 6/30/13
Natural Gas and Wood	\$850
Deliverable Fuel (Fuel oil, Propane, Coal)	\$1200
Other Fuel (Kerosene, Corn Pellets, Cherry Pits, etc.)	\$850
Residential Electric (not used for heat)	\$850
All-electric home (combined heat & residential use)	\$850
Security Deposits/Fees for Energy Service	\$200 per occurrence

*DHS Policy ERM 301, pg 10